

the same reason as the covenants and conditions

in a lease are in favour of the lessor.

The would-be vendor or purchaser having instructed you to act for him and having brought

you his correspondence with the other party to

the transaction, you will first ask him for the

name and address of the other party's solicitors

and will next consider whether a formal contract

is necessary⁷, or whether the letters exchanged

between the buyer and seller form a binding

contract. If such letters are sufficient to establish

a contract, you should at once see that they are

taken to the Inland Revenue Office at Somerset

House, London, or wherever else it is your principal's

practice to have documents stamped, and

a sixpenny stamp impressed (stamp duty on agree-

ments under hand only—i.e. not under seal). This

stamp duty must be paid within fourteen days of

the signing of the letter which "clinched" the con-

tract (i.e. the letter of acceptance). If it is not

stamped within this period, a penalty for being out

of time will be imposed when the document is

presented. If the client fails to hand you the letters

until after the expiration of the fourteen days, he

should have it pointed out to him that by his

dilatoriness you will have to pay a penalty of

perhaps los. or £x before you can have the contract stamped; without being stamped the contract could never be legally enforced.

When a formal contract is required it is usual for the vendor's solicitor to prepare it in draft (on draft paper) and to submit it to the purchaser's solicitor for his approval. If one of the standard forms above mentioned is used the draft is often prepared on a print thereof. Sometimes